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S/S 13011

DEPARTMENT OF STATE A/GDC/MR.

REVIEWED BY RS DATE 14 MAY 1982

RDS☐or XDS☐EXT (DATE NOV 1982
TS AUTH. _____ REASON(S) _____
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PA or FOI EXEMPTIONS _____

Dear Mr. President:

Thank you for sending me a copy of your letter to President Eisenhower on the Volta River Project. It was delivered to the State Department by the Embassy of Ghana, along with the letter to the President, under cover of a note dated October 22, 1960. The letter to the President was immediately transmitted to the White House, and I am sure it will be of great interest to him.

With warm regards,

Most sincerely,

/S/ CHRISTIAN A. HERTER

Christian A. Herter

S/S - RO
NOV 4 1960
A true copy of signed original

Osagyefo
Dr. Kwame Nkrumah,
President of the Republic of Ghana,
Accra.

AF:WDToomey:mc:deh 11/3/60 AF - Mr. Satterthwaite
Retyped in S/S-RO 11/4/60

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NLK-84-214/10-2220

Signed original dated November 17, 1960
received 11/18/60

13,298

S/S #13,298

DEPARTMENT OF STATE
EXECUTIVE SECRETARIAT

November 14, 1960

FOR: Brig. Gen. A. J. Goodpaster
The White House

FROM: Walter J. Stoessel, Jr.

If the President approves the enclosed message the Department would appreciate a signed original for transmission to the Embassy of Ghana. At the same time we would appreciate authorization to send a copy of the message to our Embassy in Lagos.

8 USC 20.4/9.2960
10.2269

8 USC 20.4/9.2960
10.2269

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PRESIDENT

October, 1960.

Dear Mr [illegible]

I forward for your information a copy of a letter which I have addressed to Mr. Eisenhower regarding my Government's negotiation with VALCO on the Volta River Project.

Now that the position of the United States Government in relation to the financing of the project is clearly stated in the attached letter I hope that it will be possible for the United States Government to give the necessary assistance which will enable the Government of Ghana to proceed with the actual work of building the dam without further delay.

Yours sincerely,

RM/R
Amt. 20
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The Honourable Christian A. Herter.

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848.2614/10-2260

CONFIDENTIAL

13,298
NOV 14 1960

MEMORANDUM FOR THE PRESIDENT

Subject: Ghana President Nkrumah's Letter to you on the Volta River Project.

Kwame Nkrumah has written you requesting your assurance of United States aid to help finance the electric power transmission aspect of the over-all Volta hydroelectric-aluminum project. This aid, which is in addition to United States assistance for the main project of dam and smelter, would total about $23 million. The Ghanaians contend the additional transmission facilities would result in a better project from an economic viewpoint since the extra power could be used by private consumers and mining companies. We are not convinced that sufficient facts have been provided to support this position. The World Bank agrees with us.

Therefore, I would recommend that you sign the attached letter to Nkrumah which leaves the door open for future consideration of the transmission system without delaying the beginning of the main project, building a dam and smelter.

I would suggest that your reply to the President be delivered to the Embassy of Ghana in Washington, since President Nkrumah's letter to you was received through this channel. I would recommend against the release of these messages; however, should the Government of Ghana have some reason for desiring their release, I suggest that we instruct our Embassy to consult the Department further before reaching agreement on this point.

S/S-RO

NOV 14 1960 /S/ CHRISTIAN A. HERTER

A true copy of signed original
Christian A. Herter

Enclosure:

Suggested reply.

AF:AFW:WDToomey:df 11/12/60
Retyped in S/S-RO 11/14/60

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SUGGESTED REPLY

Dear Mr. President:

I have your letter, delivered by the Embassy of Ghana to the State Department on October 22, 1960, giving a status report on your power rate negotiations with Kaiser International, representing the Volta Aluminum Company, and an explanation of the difference in views which has arisen between Kaiser Engineers and the World Bank on the advisability of extending the transmission system throughout Ghana in the immediate future.

It is my understanding that, fortunately, construction of the expanded transmission system does not need to begin as soon as the dam and power plant, since these latter take somewhat longer to build. It is also my understanding that there is no disagreement about the need for building the transmission system. The issue arises rather over <u>when</u> the demand for power will justify its construction. I feel sure that well before construction need start, in order to have it ready when power will be ready for delivery, facts will be available which will permit full agreement on the issue now in dispute.

In recognition of the great importance of this project to the future of Ghana and in confidence that appropriate financing

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financing arrangements can be made for the construction of the additional transmission lines when they are needed, I have instructed the Secretary of State to follow the matter with the closest of attention.

Sincerely,

Dwight D. Eisenhower

DDE

Clearances; E - Mr. Martin U/MSC - Mr. Bell IBRD - Mr. Knapp (substance)

AF:AFW:WDToomey:ELPadberg,Jr.
AF:OLTroxel:df 11/12/60
(Page 2) Retyped in S/S-RO 11/14/60

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